



CED AGENDA: 1/26/15
ITEM: D ~~(5)~~ 4

Memorandum

TO: COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE

FROM: Chris Burton

SUBJECT: IHUB UPDATE

DATE: January 5, 2015

Approved

Date

1/15/15

COUNCIL DISTRICT: CITY WIDE

RECOMMENDATION

Accept the staff report on the efforts of the San Jose/Silicon Valley Emerging Technology Hub.

OUTCOME

Provide the Community and Economic Development (CED) Committee an update on the recent partnerships, activities and events associated with the City's iHub program.

BACKGROUND

On September 10, 2009 the State of California Business, Transportation and Housing Agency released guidelines for applications for Innovation Hub designations. According to the guidelines "the purpose of the iHub program is to promote collaboration and commercialization of technology to stimulate job creation." The target groups for collaboration include universities, research laboratories, economic development agencies, workforce development groups, business assistance and advocacy organizations, venture capitalists, municipalities and others.

On October 15, 2009, the State of California Business, Transportation and Housing Agency approved the City's Letter of Intent as the intermediate step required prior to submission of an application.

On July 26, 2010 the Governor's Office of Economic Development approved the City of San Jose's application and designated the City of San Jose as the San Jose/Silicon Valley Emerging Technology Hub (iHub).

The City's application outlined a variety of organizations and partnerships that specifically supported emerging technology research and commercialization, including San Jose State

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University, University of California Santa Cruz, Stanford University, Lawrence Berkeley National Labs, San Jose/Silicon Valley Chamber of Commerce, Joint Venture: Silicon Valley, work2future and a variety of incubators.

On October 4, 2013, Governor Brown signed into law Assembly Bill 250 which officially created the California Innovation Hub (iHub) program within the Governor's Office of Business and Economic Development.

ANALYSIS

Over the last three years, the San Jose/Silicon Valley Emerging Technology Hub (iHub) has experienced a great deal of change and transformation. With no dedicated funding from the State of California the City's iHub partnership activity was very minimal initially.

In late 2013, the Office of Economic Development (OED) embarked upon a retooling and re-launch of the iHub program. This process for re-launching the program included re-engaging the original partners and starting new dialogues with many of the new incubators and accelerators around the core tenants of the iHub program. OED convened the six incubators/accelerators/co-working spaces in San Jose and began to introduce them to each other and bring awareness of the ecosystem to each other. This early work has resulted in new partnerships among the start-up community recognizing the unique assets each entity owns.

The next phase of work focused on re-establishing with the institutional partners. Engagement and involvement with San Jose State's Silicon Valley Innovation Challenge was a stepping stone into partnerships with San Jose State Foundation in the area of cyber security.

During 2014, the iHub produced three events focused on a range of industries and audiences. The first event showcased the entrepreneurial assets in San Jose during the four-day conference called Silicon Valley Innovation Summit. TechShop, San Jose BioCube, Spartups where showcased to the international attendees of the summit. In early spring, the iHub partnered with Sunpower to produce a Clean Tech Summit highlighting clean technology in San Jose. In September, the iHub partnered with another iHub and the San Jose Martin Luther King Library and produced a one-day additive manufacturing seminar for small business.

Given the range of partners and the ability to collaborate across entities, the iHub was the cornerstone in two grant applications submitted by the City. The first was for the Investing in Manufacturing Communities Partnership (IMCP) designation as a Manufacturing Community. While the application was unsuccessful in receiving funding, the ability to expand partnerships into broad industries bases and engagement with educational institutions in meaningful ways around career programs provided a good foundation to build from in future grant applications. The second grant application was an Economic Development Administration (EDA) i6 Cluster grant application with ProspectSV for a manufacturing program to be located ProspectSV. Announcement of award has been delayed till mid-February.

Today the iHub program has a more focused workplan with specific deliverables including:

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- Work on strengthening the network of partners and growing the ecosystem support by entering into strategic memorandum of understandings that further the efforts and linkages of the San Jose/Silicon Valley Emerging Technology Hub
- Working with San Jose State, coordinate and participate in five keynote speaker series seminars annually at local universities focused on supporting start-up and emerging technology entrepreneurs that provide advice on starting a business including financing, marketing and planning
- In partnership with the State of California Governor's Office of Business and Economic Development, produce an innovation speaker series event that demonstrates research and partnerships that have evolved out of local universities or research laboratories through the Innovation Hub
- Organize and host workshops, seminars, and/or conferences that will invite at least 40 emerging technology companies annually
- In partnership with the San Jose Office of the United States Patent and Trademark Office, provide meetings and presentations emerging technology entrepreneurs on intellectual property policies and Science, Technology, Engineering and Math (STEM) programs for local educational institutions annually
- Coordinate business plan competitions within Santa Clara County

FISCAL/POLICY ALIGNMENT

The San Jose/Silicon Valley Emerging Technology Hub aligns with Economic Strategy #4 "Nurture the Success of Local Small Businesses" and Strategy #1 "Encourage Companies and Sectors that Can Drive the San Jose/Silicon Valley Economy and Generate Revenue for City Services and Infrastructure."

CEQA

Not a project, File No. PP10-069, City Organizational & Administrative Activities.

/s/

CHRIS BURTON

Senior Business Development Manager

For questions, please contact John Lang, Chief Economist, at (408) 535-8178.